

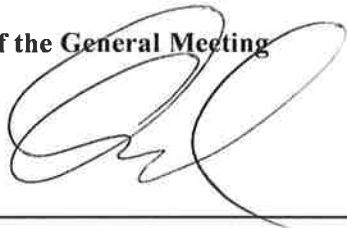
Scandlines ApS

Havneholmen 25, 8.
DK-1561 Copenhagen
CVR No. 35487131

Annual report 2021

The Annual General Meeting adopted the annual report on 26 April 2022

Chairman of the General Meeting



Name: Carsten Nørland

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Statement by Management on the annual report

The Executive Board have today considered and approved the annual report of Scandlines ApS for the financial year 1 January 2021 – 31 December 2021.

The annual report is presented in accordance with the Danish Financial Statements Act.

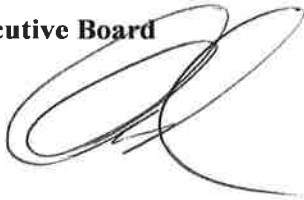
In our opinion, the financial statements give a true and fair view of the Company's financial position at 31 December 2021 and of the results of its operations for the financial year 1 January 2021 – 31 December 2021.

We believe that the management commentary contains a fair review of the affairs and conditions referred to therein.

We recommend the annual report for adoption at the Annual General Meeting.

Copenhagen, 26 April 2022

Executive Board



Carsten Nørland
CEO



Per Johannesen Madsen
CFO



Michael Guldman Petersen
COO

Independent auditor's report

To the Shareholder of Scandlines ApS

Opinion

In our opinion, the Financial Statements give a true and fair view of the financial position of the Company as of 31 December 2021, and of the results of the Company's operations for the financial year 1 January - 31 December 2021 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of Scandlines ApS for the financial year 1 January - 31 December 2021, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies ("Financial Statements").

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Inter-national Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Statement on Management's Commentary

Management is responsible for Management's Commentary.

Our opinion on the Financial Statements does not cover Management's Commentary, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Financial Statements, our responsibility is to read Management's Commentary and, in doing so, consider whether Management's Commentary is materially inconsistent with the Financial Statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether Management's Commentary provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, in our view, Management's Commentary is in accordance with the Financial Statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement in Management's Commentary.

Management's Responsibilities for the Financial Statements

Management is responsible for the preparation of Financial Statements that give a true and fair view in accordance with the Danish Financial Statements Act, and for such internal control as Management determines is necessary to enable the preparation of Financial Statements that are free from material misstatement, whether due to fraud or error.

In preparing the Financial Statements, Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in preparing the Financial Statements unless Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Financial Statements.

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the Financial Statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based

on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and contents of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that gives a true and fair view.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Hellerup, 26 April 2022

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab

CVR No 33 77 12 31



Bo Schou-Jacobsen

State Authorised Public Accountant

mne28703



André Nielsen

State Authorised Public Accountant

mne46624

Company details

Company

Scandlines ApS

Havneholmen 25, 8.

DK-1561 Copenhagen

CVR No.: 35487131

Registered in: Copenhagen

Financial year: 01.01.2021 - 31.12.2021

Phone: +4533151515

Fax: +4535290201

Website: www.scandlines.dk

E-mail: scandlines@scandlines.dk

Executive Board

Carsten Nørland, CEO

Per Johannesen Madsen, CFO

Michael Guldmann Petersen, COO

Auditors

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab

Strandvejen 44

DK- 2900 Hellerup

Management Commentary

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
	<u>EUR'000</u>	<u>EUR'000</u>	<u>EUR'000</u>	<u>EUR'000</u>	<u>EUR'000</u>
Financial highlights					
Key figures					
Other operating income	597	0	0	0	0
Gross profit/loss	308	-217	-235	-620	-104
Operating profit/loss	308	-217	-235	-620	-104
Net financials	-19.881	-20.395	337.616	42.896	-5.995
Profit/loss for the year	-18.515	-20.729	337.868	42.306	-6.133
Total assets	1.131.858	1.236.351	1.242.651	1.040.812	1.119.677
Equity	202.283	265.483	258.868	262.390	287.328
Ratios					
Gross margin (%)	0,0	0,0	0,0	0,0	0,0
Return on equity (%)	-7,9	-7,9	129,6	15,4	-1,7
Equity ratio (%)	17,9	21,5	20,8	25,2	25,7

Financial highlights are defined and calculated in accordance with "Recommendations & Ratios" issued by the Danish Society of Financial Analysts.

Ratios	Calculation formula
Return on equity (%)	$\frac{\text{Profit/loss for the year} \times 100}{\text{Average equity}}$
Equity ratio (%)	$\frac{\text{Equity} \times 100}{\text{Total assets}}$

Management Commentary

Primary activities

The Company's primary activity is to own affiliated companies and manage the Cash Pool for the whole Scandlines Group.

Development in activities and finances

The financial year 2021 shows a result for the year of TEUR -18.515, which is TEUR 2.214 better than 2020.

As of 31 December 2021, total assets were TEUR 1.131.858 (2020: TEUR 1.229.269) with a total equity of TEUR 202.283 (2020: TEUR 265.483).

The performance is not considered satisfactory.

For a detailed description of finances and activities, we refer to the Group Financial Statements of Scandlines Infrastructure ApS.

Outlook

COVID-19 continued to impact our business in large parts of 2021 as car and passenger traffic was significantly affected by travel restrictions and quarantine measures imposed by political decision makers in Germany and Denmark to limit the spread of COVID-19.

Traffic figures were most severely affected by the restrictions in the first half of 2021, and traffic rebounded swiftly during the summer on the back of the introduction of COVID-19 certificates until restrictions were reinstated in the autumn. Freight traffic grew despite the continued impact from COVID-19 and countermeasures.

We continued to take precautionary measures to protect our employees, customers and partners during the outbreak of COVID-19. We maintained contingency planning and ensured compliance with recommendations and regulatory demands through training sessions and other proactive initiatives.

In 2022, we expect car and passenger traffic as well as shopping and bus travel to be significantly impaired by the effects of COVID-19. Freight traffic is expected to remain at a relatively stable and high level throughout the year.

Due to the high degree of uncertainty and very low visibility, management is currently not in a position to provide precise financial guidance for 2022.

Particular risks

The particular risks in the Company relates to the risks connected with the investments in affiliated companies. The most material financial risks are currency, oil, interests and credit risks, which only occur in relation to the operating activities. The interest risk factors are hedged and we refer to the "Management commentary" in the Group Financial Statements of Scandlines Infrastructure ApS for a detailed description.

Intellectual capital resources

The Company continuously improves operational efficiency to maintain a strong competitive position against established competitors. In addition, qualified employees and management is critical to our success in the long term.

We refer to the "Risk management" in the Group financial statements of Scandlines Infrastructure ApS for a detailed description.

Staff

The Company has no employees.

Environmental performance

Safety for our passengers, crew and vessels is paramount to any other parameter in our business. Weekly and monthly exercises for our crewmembers and testing of our equipment follow mandatory education.

All vessels are inspected several times during a year, and we are satisfied to hold a high quality in 2021. For a more detailed description please see "Management commentary" in the Group Financial Statements of Scandlines Infrastructure ApS.

Uncertainty in relation to recognition and measurement

The Company has no material uncertainty in relation to recognition and measurement.

Unusual circumstances

There are no unusual circumstances in 2021, except for what is described above.

Research- and development activities

The Company has no research- and development activities.

Branches

The Company has no branches.

Statutory report on corporate social responsibility and data ethics cf. 99a and 99d of the Danish Financial Statements Act

For our statutory statement on social responsibility in accordance with sections 99a of the Danish Financial Statements Act, we refer to the Sustainability report from our parent company Scandlines Infrastructure ApS (CVR: 38 10 32 45). The report can be found here:

[Annual report and Sustainability report | Scandlines](#) where our account on Scandlines' data ethics policy is also available in accordance with section 99d of the Danish Financial Statements Act.

Statutory report on the underrepresented gender cf. 99b of the Danish Financial Statements Act

The Company has no employees as it is a simple holding company.

The Executive Board of Scandlines ApS, currently do not have any female members elected by the general assembly which is due to the reason that the constituted Executive Board represents the Executive Board of the Parent Company.

The objective of the Group is within a period of four years to have one female Board member, elected on a general assembly.

Scandlines operates in the maritime industry where many of the jobs are very gender specific due to the special working environment. The intake on the educations needed for a job in Scandlines is also very gender specific which makes it challenging to find candidates of the underrepresented gender in many areas. Further is the unemployment rate in Denmark very low for the time being which also brings down the number of suitable candidates. Scandlines does not work with quota but always employs the best-suited candidate for the job and works to make our advertisements as gender neutral as possible to attract both gender to all our open positions.

Scandlines has signed the Charter of Women in shipping and in 2021 participated in the UN Global Compact program "Target Gender Equality".

Scandlines will continue to have focus on improving the balance of the underrepresented gender in the coming years.

Income statement for 2021

	Note	2021 EUR'000	2020 EUR'000
Other operating income		597	0
Other external expenses		-289	-217
Gross profit / loss		308	-217
Operating profit / loss		308	-217
Financial income	1	10.769	45.613
Financial expenses	2	-30.650	-66.008
Profit / loss before tax		-19.573	-20.612
Tax on profit for the year	3	1.058	-117
Profit / loss for the year	4	-18.515	-20.729

Balance sheet at 31.12.2021

	Note	31-12-2021 EUR'000	31-12-2020 EUR'000
Investments in subsidiaries	5	1.026.945	1.026.945
Fixed assets investments		1.026.945	1.026.945
Fixed assets		1.026.945	1.026.945
Receivable from affiliated companies		1.305	46.868
Other receivables		38	19
Company tax		0	112
Prepayments		215	0
Receivables		1.558	46.999
Cash	6	103.355	155.325
Current assets		104.913	202.324
Assets		1.131.858	1.229.269

Balance sheet at 31.12.2021

	Note	31-12-2021 EUR'000	31-12-2020 EUR'000
Share capital		11	11
Other reserves		-199	-514
Retained earnings		202.471	265.986
Equity		202.283	265.483
Bank loans	7	823.449	896.179
Non-current liabilities		823.449	896.179
Bank loans	7	105.735	66.500
Trade payables		5	54
Payables to affiliated companies		205	557
Other payables		181	496
Current liabilities other than provisions		106.126	67.607
Liabilities		929.575	963.786
Equity and liabilities		1.131.858	1.229.269
Contingent liabilities	8		
Assets charged and collateral	9		
Transactions with related parties	10		
Group relations	11		
Employees	12		
Events after the balance sheet date	13		

Statement of changes in equity for 2021

	Share capital	Other Reserves	Retained earnings	Total
	EUR'000	EUR'000	EUR'000	EUR'000
Equity at 1 January 2021	11	-514	265.986	265.483
Profit / loss of the year	0	0	-18.515	-18.515
Extraordinary dividend	0	0	-45.000	-45.000
Value adjustment	0	315	0	315
Equity at 31 December 2021	11	-199	202.471	202.283

The share capital consists of 84.000 shares of DKK 1 nominal.

Notes

	31-12-2021	31-12-2020
	EUR'000	EUR'000
1 Financial income		
Interest from affiliated companies	10.387	45.611
Exchange rate adjustments	382	0
Other interest income	0	2
	10.769	45.613
2 Financial expense		
Interest to affiliated companies	-9.694	-39.747
Exchange rate adjustments	0	-4.147
Other interest expenses	-20.956	-22.114
Total financial expenses	-30.650	-66.008
3 Tax on profit for the year		
Current tax	96	112
Current tax previous year	962	-229
Total tax on profit for the year	1.058	-117
4 Proposed distribution of profit / loss		
Profit / loss for the year	-18.515	-20.729
Total retained earnings	-18.515	-20.729

Notes

5 Fixed assets investments

	Investments in subsidiaries
Cost at 1 January	1.026.945
Cost at 31 December	1.026.945

	Registered in	Corporate form	Equity interest %
Investments in subsidiaries:			
Scandferries Holding GmbH*	Hamburg	GmbH	100
Scandlines Deutschland GmbH*	Hamburg	GmbH	100
Scandlines Schiff GmbH & Co. KG*	Hamburg	KG	100
Scandlines Schiff Verwaltungs GmbH*	Hamburg	GmbH	100
Scandlines Bordershop Puttgarden GmbH*	Hamburg	GmbH	100
Scandlines Bordershop Rostock GmbH*	Hamburg	GmbH	100
Scandlines Danmark ApS	Copenhagen	ApS	100
Scandlines Catering ApS	Copenhagen	ApS	100
Scandlines Gedser-Rostock ApS	Copenhagen	ApS	100

	Equity EUR'000	Profit/Loss EUR'000
Investments in subsidiaries - continued:		
Scandlines Danmark ApS	274.313	43.335
Scandlines Catering ApS	3.311	-857
Scandlines Gedser Rostock ApS	27.706	9.598

All recognized amounts are based on latest approved financial statements.

* Equity and Profit/Loss has not been disclosed in accordance with ÅRL §97a (3)

6 Cash

Scandlines ApS has cash of TEUR 103.355 (2020: TEUR 155.325) of which TEUR 12.588 (2020: TEUR 12.661) is restricted.

7 Bank loans

	Within 1 year	1-5 years	After 5 years
2021			
Bank loans	105.735	356.854	466.596
2020			
Bank loans	66.500	330.505	565.674

Notes

8 Contingent liabilities

The Group's Danish companies are jointly and severally liable for tax on the Group's jointly taxed income, etc. The total amount of corporation tax due is stated in the Financial Statements of Scandlines Infrastructure ApS, which is the management company in relation to joint taxation. The Group's Danish companies are also jointly and severally liable for Danish withholding taxes in the form of dividend tax, royalty tax and interest tax. Any subsequent corrections to corporation taxes and withholding taxes may result in the Company's liability constituting a larger amount.

The Company is jointly and severally liable for the subsidiaries intra-group accounts in the Scandlines ApS Group's cash pool arrangement.

9 Assets charged and collateral

The bank debt of the Company is secured by collateral in the Company's shares in subsidiaries, receivables from subsidiaries and cash.

The debt is subject to covenants calculated based on the group Financial Statements of Scandlines Infrastructure ApS.

The Company has joint and several liability with its subsidiaries for the Company' and subsidiaries financing arrangement.

10 Transactions with related parties

There have not been transactions between the company and its related parties which are not carried out under normal market conditions.

11 Group relations

Name and registered office of the Parent preparing consolidated Financial Statements for the smallest and largest group:

Scandlines Infrastructure ApS, Copenhagen

Notes

12 Employees	31-12-2021	31-12-2020
	EUR'000	EUR'000
Salary	16.970	11.149
Bonus	29.858	13.859
Pension	1.876	1.614
Total remuneration of management	48.704	26.622

The Company has no employees.

The figures stated relates to the Executive Board's remuneration for handling the whole Scandlines Infrastructure Group. Thus, the figures stated is not recognised in the income statement of the Company. Therefore, only a minor part of the total remuneration is directly related to the work performed in Scandlines ApS.

13 Events after the balance sheet date

In March 2022, the Company entered into a refinancing agreement for a partial amount of the Company's bank debt. The agreement prolonged the repayment period and ensured fixed interest rates. The event is a non-adjusting event.

No other significant events have occurred after 31 December 2021.

Summary of significant accounting policies

Reporting class

This annual report has been presented in accordance with the provisions of the Danish Financial Statements Act governing reporting class C enterprises (large).

The accounting policies applied for these Financial Statements are consistent with those applied last year apart from minor immaterial reclassifications.

The Financial Statements has been presented in TEUR.

Recognition and measurement

Assets are recognised in the balance sheet when it is probable as a result of a prior event that future economic benefits will flow to the Company, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the Company has a legal or constructive obligation as a result of a prior event, and it is probable that future economic benefits will flow out of the Company, and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. Measurement subsequent to initial recognition is effected as described below for each financial statement item.

Anticipated risks and losses that arise before the time of presentation of the annual report and that confirm or invalidate affairs and conditions existing at the balance sheet date are considered at recognition and measurement.

Income is recognised in the income statement when earned, whereas costs are recognised by the amounts attributable to this financial year.

Foreign currency translation

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Receivables, payables and other monetary items denominated in foreign currencies that have not been settled at the balance sheet date are translated using the exchange rate at the balance sheet date. Exchange differences that arise between the rate at the transaction date and the one in effect at the payment date, or the rate at the balance sheet date are recognised in the income statement as financial income or financial expenses. Fixed assets that have been purchased in foreign currencies are translated using historical rates.

Income statement**Fair value adjustment of hedging instruments**

The hedging reserve includes the accumulated net change in the fair value of hedging instruments which meet the criteria for hedging future cash flow where the hedged transaction has not yet materialized.

Other external expenses

Other external expenses include expenses relating to the Company's ordinary activities, including corporate costs.

Income from investments in subsidiaries

Income from investments in subsidiaries comprises dividend etc. received in the financial year.

Distribution of dividends from subsidiaries is taken to income in the Company's income statement in the financial year in which the dividend is declared. If an amount is distributed exceeding the subsidiary's result for the period, then an impairment test is performed.

Financial income

Other financial income comprises interest income on receivables from group enterprises.

Financial expenses

Other financial expenses comprise interest expenses, including interest expenses on payables to group enterprises, bank interests and amortisation of financial liabilities.

Tax on profit/loss for the year

Tax for the year, which consists of current tax for the year and changes in deferred tax, is recognised in the income statement by the portion attributable to the profit for the year and recognised directly in equity by the portion attributable to entries directly in equity.

The Company is jointly taxed with all Danish subsidiaries. The current Danish income tax is allocated among the jointly taxed entities proportionally to their taxable income (full allocation with a refund concerning tax losses).

Balance sheet**Investments in subsidiaries**

Investments in subsidiaries are measured at cost and are written down to the lower of recoverable amount and carrying amount.

Receivables

Receivables are measured at amortised cost, usually equaling nominal value less write-downs for bad debts.

Corporate tax payable or receivable

Current tax payable or receivable is recognised in the balance sheet, stated as tax calculated on this year's taxable income, adjusted for prepaid tax.

Cash

Cash comprises cash in hand and bank deposits.

Financial liabilities

Other financial liabilities are measured at amortised cost, which usually corresponds to nominal value.

Consolidated Financial Statement

With reference to the Danish Financial Statements Act §112 (2), the Company has not prepared a Consolidated Financial Statements. The Company's Financial Statements are included in the Consolidated Financial Statements of Scandlines Infrastructure ApS.

Cash flow statement

The Company has according to the Danish Financial Statements Act §86(4) omitted to produce a cash flow statement.